

**PALMER LAKE, COLORADO**

**ORDINANCE NO. 12-2023**

**AN ORDINANCE AMENDING CHAPTER 5.08 OF THE TOWN OF  
PALMER LAKE MUNICIPAL CODE RELATING TO SHORT TERM RENTALS  
WITHIN THE TOWN OF PALMER LAKE**

**WHEREAS**, the Board of Trustees of the Town of Palmer Lake, Colorado, pursuant to Colorado statute and the Town of Palmer Lake Municipal Code, is vested with the authority of administering the affairs of the Town of Palmer Lake, Colorado; and

**WHEREAS**, the Board previously adopted regulations relating to Short Term Rentals within the Town of Palmer Lake, such regulations appearing in Chapter 5.08 of the Palmer Lake Town Code; and

**WHEREAS**, the Board of Trustees has determined that these regulations need to be amended to help preserve the health, safety, and general welfare of the citizens of the Town of Palmer Lake.

**NOW THEREFORE BE IT ORDAINED BY THE BOARD OF TRUSTEES OF  
THE TOWN OF PALMER LAKE, COLORADO, THAT:**

**Section 1.**

Section 5.08.030 of Chapter 5.08 of the Palmer Lake Municipal Code shall be amended by adding the underlined text as indicated below with such Section to read in its entirety as follows:

**5.08.030. Definitions.**

The following words, terms and phrases, when used in this chapter, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

*Lawful dwelling unit* means a single unit providing complete independent living facilities for one or more persons, including permanent provisions for living, sleeping, eating, cooking, and sanitation purposes.

*Local agent* means a management company or individual who is identified by an applicant as the responsible agent in the application for a short-term rental license and who is available 24 hours per day, seven days per week to respond as the initial point of contact for the short-term rental unit and who is able to respond to emergencies at the short-term rental unit within one hour of the agent's receipt of notice of the emergency. The local agent may be the owner of the short-term rental unit and must have access to the short-term rental unit, authority to assume management of the short-term rental unit, and the ability to take remedial measures as necessary.

*Owner* means the owner of a property within the town who intends to lease or leases the property or a portion thereof as a short-term rental unit.

*Owner-occupied* means a property on which an owner uses a dwelling unit of any kind, or portion thereof, as the owner's legal, primary residence.

*Parcel* means an area of land which is capable of being described with such specificity that its location and boundaries may be established and which has been or may be developed as a single unit of land.

*Renter* means the party to a lease that has obtained the temporary right to use and occupy a short-term rental unit.

*Short-term rental* means charging overnight lodging fee that is in increments less than 30 days.

## **Section 2.**

Sub-Section 5.08.060(a)(14) of Chapter 5.08 of the Palmer Lake Municipal Code shall be amended by deleting the strikethrough text as indicated below with such subsection to read in its entirety as follows:

(14) The applicant has obtained a conditional use permit, if ~~and as required by zoning code.~~

## **Section 3.**

Section 5.08.070(b)(4) of Chapter 5.08 of the Palmer Lake Municipal Code shall be amended by deleting the strikethrough text as indicated below with such sub-section to read in its entirety as follows:

(4) The applicant has obtained a conditional use permit, if ~~and as required by zoning code.~~

## **Section 4.**

Sub-Sections 5.08.080(a) and (b) of Chapter 5.08 of the Palmer Lake Municipal Code shall be amended by adding the underlined text and deleting the strikethrough text as indicated below with such sub-sections to read in its entirety as follows:

### **5.08.080. - Term of license, renewal, and show cause hearings.**

(a) *Term.* Short-term rental licenses are effective from May 1 until April 30 each year. Applicants who apply for and obtain a new/initial short-term rental license any time ~~on or~~ after May 1 shall be responsible for paying a pro-rated ~~the entire~~ license fee. Any license issued after May 1 shall expire on the April 30 following the date of issuance regardless of the issuance date.

(b) *Renewal.* All short-term rental licenses must be renewed annually. All renewal applications must be submitted prior to April 30 each year on forms provided and approved by the town along with the entire annual license fee. ~~For short-term rental licenses subject to the annual cap set forth in section 5.08.090(k), a~~All renewal applications meeting the requirements herein and submitted by the deadline set forth in this subsection, ~~with applicants~~ who are in good standing, will be approved. Notwithstanding the foregoing, any license renewal applications received after the deadline set forth in this subsection will be considered on a first-come, first-served basis. The town shall approve a renewal application if:

- (1) The renewal form is complete and does not omit any required information;
- (2) The renewal fee has been paid;
- (3) The owner or local agent has submitted a new, current safety affidavit;
- (4) Neither the owner, the local agent, nor the short-term rental unit is currently in violation of any applicable law, rule, or regulation, including the provisions of this Code;
- (5) The owner has not been cited by the town for, or convicted by municipal court or other court of, competent jurisdiction of more than one violation related to the owner's short-term rental unit in the last 12 months; and
- (6) ~~For any~~ Licenses are subject to the annual license cap set forth in this chapter, ~~the short-term rental unit was rented for at least 14 days during the previous license term.~~ If the short-term rental unit was not rented for at least minimum of 14 days during the previous term, the renewal application shall not be approved. Such showing may be made through submittal of lodging fees reported to the Town. Notwithstanding the foregoing, an owner or local agent may complete an one-time affidavit of non-use declaring the reasons for failing to rent the short-term rental unit as required in this subsection. If a renewal application including such an affidavit meets all other requirements of this Code, then the town will approve the renewal application. Affidavits of non-use will not be allowed for subsequent renewal applications.

## **Section 5.**

Sub-Sections 5.08.090(h), (j), (k), (l), and (r) of Chapter 5.08 of the Palmer Lake Municipal Code shall be amended by adding the underlined text and deleting the strikethrough text as indicated below with such sub-sections to read in its entirety as follows:

(h) *Taxes.* Owners shall be responsible for making timely property tax payments for all short-term rental units, as applicable for each property. Owners shall also be responsible for keeping all applicable sales and lodging fees tax and licenses current.

(j) *Safety checks.* An owner or local agent of a short-term rental unit shall allow the town access to a licensed short-term rental unit once per year, upon request of the Town, for the purpose of verifying the information set forth in the safety features affidavit submitted with the owner's license application or renewal application. Upon the request of the Town, ~~a~~An owner or local agent shall also allow the town access to a short-term rental unit to investigate a safety complaint about the short-term rental unit. ~~Each safety check shall be subject to a~~ The fee for a safety check shall be set forth in the town's fee

schedule. Following a safety check, the town may provide the owner or local agent instructions on how to bring the property into compliance with this Code and a deadline for such compliance. If the town determines that the owner or local agent has not complied with the instructions by the compliance deadline, the owner may be subject to the suspension or revocation or denial of a renewal application, as appropriate and in accordance with this Code, of the owner's short-term rental license.

(k) *Maximum number of licenses per year.* There shall be a maximum number of certain licenses available per year (from May 1 through April 30), which shall not exceed ~~ten~~ an established percentage of the total number of residential parcels within the town as indicated in subsections 1 and 2, below. The total number of residential parcels shall be as determined by the town using information from the El Paso County Assessor. The following types of licenses shall be subject to the cap set forth in this subsection:

(1) AH Class 2 licenses shall not exceed 5%; and

(2) Class 1 licenses shall not exceed 10% ~~for parcels with two or more short-term rental units on a single parcel.~~

~~Class 1 licenses for parcels with only one short-term rental unit are not subject to the cap set forth in this subsection. Licenses issued for owner-occupied parcels with two or more short-term rental units on a single parcel will be considered through the conditional use permit process shall count as one license toward the license cap set forth in this subsection.~~ Notwithstanding the foregoing, owners or local agents must obtain a license for each proposed short-term rental unit in accordance with this section.

(l) *Maximum number of licenses per parcel.*

(1) The town shall issue no more than one license per parcel, subject to the provisions of this chapter.

(2) ~~Parcels may be eligible for more than one license on a case-by-case basis if the additional licenses are~~ shall be approved only through the conditional use permit process set forth in this Code prior to issuance of a license in accordance with this chapter. ~~Applicants seeking two or more licenses for a single owner-occupied parcel and applicants seeking three or more licenses for a single parcel that is not owner-occupied must obtain a conditional use permit from the town before the town will process any such short-term rental license application.~~

(3) ~~The operation of two short-term rental units on a single parcel that is not owner-occupied is prohibited. In accordance with the requirements of this section, the town permits the operation and licensure of one short-term rental unit on a parcel that is not owner-occupied or may permit, following the issuance of a conditional use permit as set forth in this section, the operation and licensure of three or more short-term rental units on a single parcel that is not owner-occupied. The operation of two or more short-term rental units on a single parcel that is owner-occupied is permitted.~~

(r) *Limited application of certain regulations to condominium units.* Notwithstanding any provision to the contrary set forth in this chapter, the following regulations apply to condominium units:

- (1) Each condominium unit is eligible for one short-term rental license.
- (2) Subsection (1) of this section does not apply to parcels containing condominium unit developments, and applicants seeking a short-term rental license for a condominium unit shall not be required to obtain a conditional use permit if other condominium units on the same parcel have obtained short-term rental licenses.
- (3) All condominium units licensed as short-term rental units ~~that are not owner-occupied~~ are subject to the maximum number of licenses available per year set forth in subsection (k) of this section.
- (4) Condominium units are subject to all other provisions of this Code, as applicable.

**Section 6.**

All other provisions of Chapter 5.08 not specifically amended by sections 1-5 above, remain unchanged and in full force and effect.

**Section 7.**

Severability. If any article, section, paragraph, sentence, clause, or phrase of this Ordinance is held to be unconstitutional or invalid for any reason such decision shall not affect the validity or constitutionality of the remaining portions of this Ordinance. The Town Board hereby declares that it would have passed this ordinance and each part or parts thereof irrespective of the fact that any one part or parts be declared unconstitutional or invalid.

**Section 8.**

Repeal. Existing ordinances or parts of ordinances covering the same matters embraced in this ordinance are hereby repealed and all ordinances or parts of ordinances inconsistent with the provisions of this ordinance are hereby repealed except that this repeal shall not affect or prevent the prosecution or punishment of any person for any act done or committed in violation of any ordinance hereby repealed prior to the effective date of this ordinance.

**INTRODUCED, READ AND PASSED AT A FIRST READING AT A REGULAR MEETING OF THE BOARD OF TRUSTEES OF THE TOWN OF PALMER LAKE ON THIS 13<sup>TH</sup> DAY OF APRIL, 2023.**

ATTEST:

TOWN OF PALMER LAKE, COLORADO

\_\_\_\_\_  
Dawn A. Collins  
Town Administrator/Clerk

BY: \_\_\_\_\_  
Glant Havenar  
Mayor